

Citing Lawsuit Confusion, Governor Halts State's Medicaid-to-Medicare Transition for PLAD Recipients

***Governor to Medicaid Reform Opposition:
"Show Me the Money"***

Saying that a federal lawsuit had confused 50,000 Mississippi Medicaid recipients beyond repair, Governor Haley Barbour said today he would halt the state's efforts to transition those recipients to Medicare and look to Medicaid reform opponents to come up with the \$100 million needed for Mississippi's cash-strapped Medicaid program.

The State of Mississippi and attorneys representing PLAD (Poverty Level aged and Disabled) recipients reached an agreement today that would allow those recipients to continue to receive Medicaid benefits until January 31, 2005. The Governor said the new January timetable would allow the Legislature to act on the issue and decide how to fund Mississippi's Medicaid program which has doubled in size in five years and projects large deficits during the upcoming fiscal year.

The consent decree was approved today by Federal District Court Judge Henry Wingate. The lawsuit filed in federal court last month questioned the original transition notification letter sent in June, and approved by the Attorney General's Office, and sought to indefinitely delay the transition.

"In June, I delayed the transition date for this reform by three months to give our recipients enrollment assistance and time to prepare," said Governor Barbour. "Now this federal lawsuit has thrown our carefully planned transition into chaos. I do not want to be a part of confusing these recipients."

Governor Barbour said he was unsure where the Legislature would find the \$100 million the PLAD transition would have saved, but that it would now be the responsibility of Medicaid reform opponents to identify the source. "For those individuals who want no changes in our budget-busting Medicaid program I simply have one request: 'Show me the money,'" said Governor Barbour.

"We told PLAD recipients they were transitioning to Medicare. Now the federal judge has told us we had to tell

them they were back on Medicaid. Then, depending on the court's next ruling, we might have to tell them they are transitioning to Medicare again. That is just too much back-and-forth to effectively communicate to recipients and providers in a program this comprehensive," said Division of Medicaid Executive Director Dr. Warren Jones.

Governor Barbour said he will now focus the state's efforts on other parts of the Medicaid Reform Act. "We will now direct our energies toward making sure that the only people who receive Medicaid benefits are those who are truly eligible. Fighting fraud will save money for the truly needy," said Governor Barbour.

More than 768,000 Mississippians depend on Medicaid services. PLAD recipients comprise 6% of that Medicaid population. However, a Division of Medicaid analysis in September revealed that 75% of the PLAD recipients would pay no more for drug costs on Medicare coverage than they would on Medicaid. This would leave only 12,000 recipients paying more, or 1.5% of Mississippi's total Medicaid population.

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